

# canzac

*Mines Limited (n.p.l.)*

818 • 510 WEST HASTINGS STREET  
VANCOUVER 2, B.C.  
PHONE 684-3374

## PROGRESS REPORT NO. 14

### CANZAC ACQUIRING HOLDINGS WEST OF NEW IMPERIAL

Directors are pleased to report CANZAC MINES LTD. (N.P.L.) is now in the course of acquiring a large group of mineral claims located along the west side of the property holdings of New Imperial Mines Ltd. near Whitehorse in the Yukon. The ground being assembled by your Company is reported to cover exploratory targets already indicated by geophysical tests. A work program is to be started as soon as weather permits.

As you probably are aware, the New Imperial copper-gold-silver operation went into production last year with a 2,500-tons-per-day concentrator. Results have revived active mining interest in a broad area previously renowned for placer gold alone. During the first five months of production the mine shipped almost 7,000 tons of concentrates grading just under 30% copper and valued at more than \$2,000,000.

Open pit ore reserves at New Imperial were originally estimated at 5.5 million tons running 1.2% copper and \$1.10 a ton in gold-silver-moly. Recently, the company reported deep drilling had indicated at least another 5 million tons of ore running 2% copper available for underground mining. In a recent progress report officials stated big ore chances also exist elsewhere on the large property.

Your Directors are also pleased to report negotiations have been started with two large international mining exploration corporations in connection with an exploratory-development deal on Canzac's silver-copper properties on Erie Creek, 10 miles northwest of Sami Town in the Kootenay district of southeast B.C. You may recall these holdings consisted of 19 reverted Crown Grants and 41 located claims and that assays of surface samples submitted to T.S.L. Laboratories Ltd., Vancouver, and John Dolphin, Osoyoos, for analysis ranged as high as 9.2 ozs/ton silver, 3.35% copper, 10.15% lead, with some gold.

A third major mining operator has expressed interest in your 141-claim property lying to the northeast of Bethlehem and Lornex in Highland Valley. We expect to have more information on all three projects to pass on to Shareholders shortly and are looking forward with keen anticipation to an active and productive year.

February 3, 1968.

ON BEHALF OF THE BOARD.



